

STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
DF-46 (REV 08/17)

Fiscal Year 2019-20	Business Unit 0840	Department State Controller's Office	Priority No. 1
Budget Request -Name 0840-005-BCP-2019-GB		Program 0500 – State Controller's Office	Subprogram 0500200 - Audits 0500900 - Administration

Budget Request Description
Unclaimed Property (UCP) Holder Compliance Audits

Budget Request Summary

The State Controller's Office (SCO) requests \$1,571,000 Unclaimed Property Fund (UPF) in 2019-20 and ongoing to support 11.0 permanent positions, to perform audits of holders to ensure compliance with the California Unclaimed Property Law (UPL), reunite unclaimed property with its rightful owners or heirs, and provide administrative support.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date

For IT requests, specify the project number, the most recent project approval document (FSR, SPR, S1BA, S2AA, S3SD, S4PRA), and the approval date.

Project No. Project Approval Document: Approval Date:

If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By Jeffrey V. Brownfield, Chief Division of Audits	Date	Reviewed By Jennifer Chavez, Chief Admin and Disb. Division	Date
Department Director Jan Ross Chief Administrative Officer	Date	Agency Secretary George Lolas Chief Operating Officer	Date

Department of Finance Use Only

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ CALSTARS ☐ Dept. of Technology

PPBA ORIGINAL SIGNED BY SUSAN WEKANDA	Date submitted to the Legislature JANUARY 10, 2019
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BCP Fiscal Detail Sheet

BCP Title: UCP Holder Compliance Audits

BR Name: 0840-005-BCP-2019-GB

Budget Request Summary

	FY19					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Personal Services						
Positions - Permanent	0.0	11.0	11.0	11.0	11.0	11.0
Total Positions	0.0	11.0	11.0	11.0	11.0	11.0
Salaries and Wages						
Earnings - Permanent	0	868	868	868	868	868
Total Salaries and Wages	\$0	\$868	\$868	\$868	\$868	\$868
Total Staff Benefits	0	476	476	476	476	476
Total Personal Services	\$0	\$1,344	\$1,344	\$1,344	\$1,344	\$1,344
Operating Expenses and Equipment						
5301 - General Expense	0	22	22	22	22	22
5304 - Communications	0	11	11	11	11	11
5320 - Travel: In-State	0	110	110	110	110	110
5322 - Training	0	22	22	22	22	22
5340 - Consulting and Professional Services - External	0	3	3	3	3	3
5346 - Information Technology	0	59	59	59	59	59
Total Operating Expenses and Equipment	\$0	\$227	\$227	\$227	\$227	\$227
Total Budget Request	\$0	\$1,571	\$1,571	\$1,571	\$1,571	\$1,571

Fund Summary

Fund Source - State Operations						
0970 - Unclaimed Property Fund	0	1,571	1,571	1,571	1,571	1,571
Total State Operations Expenditures	\$0	\$1,571	\$1,571	\$1,571	\$1,571	\$1,571
Total All Funds	\$0	\$1,571	\$1,571	\$1,571	\$1,571	\$1,571

Program Summary

Program Funding						
0500200 - Audits	0	1,571	1,571	1,571	1,571	1,571
Total All Programs	\$0	\$1,571	\$1,571	\$1,571	\$1,571	\$1,571

Analysis of Problem

A. Budget Request Summary

The State Controller's Office (SCO) requests \$1,571,000 Unclaimed Property Fund (UPF) in 2019-20 and ongoing to support 11.0 permanent positions, to perform audits of holders to ensure compliance with the California Unclaimed Property Law (UPL), reunite unclaimed property with its rightful owners or heirs, and provide administrative support.

B. Background/History

Under California's Constitution and Government Code (GC) section 12410, the State Controller is responsible for auditing all claims made against the State Treasury. GC 12410 states that "the Controller may audit the disbursement of any state money for correctness, legality, and sufficient provisions of law for payment." In addition, the State Controller may conduct a field audit if, in the opinion of the State Controller, such is warranted to protect and preserve taxpayer funds.

The SCO Division of Audits (Audits) acts as an oversight agency for audits of state or local government agencies and performs pre-payment (claim) audits, field audits, special reviews, and investigations, as well as audits of "pass-through" federal funds received by the State for allocation and disbursement to local government agencies. These objectives are accomplished under statutory mandates and through interagency agreements with other state departments, local governments, or the federal government.

The UPL was enacted to ensure that unclaimed property is returned to its rightful owners or heirs, and to prevent holders of unclaimed property from treating that property as business income. By law, holders of unclaimed property must report and remit unclaimed property to SCO after a designated period of time. SCO is a single point of contact for California citizens searching for unclaimed property reported by holders nationwide.

In 2007, Senate Bill 86 (Chapter 179, Statutes of 2007) modified Code of Civil Procedure (CCP) section 1501.5, requiring SCO to improve the reporting procedures for unclaimed property holders in California. This process requires holders of unclaimed property to submit Holder Notice Reports before remitting property to SCO; SCO uses the Holder Notice Reports to send Pre-Escheat Notices to rightful owners. The notices advise owners to contact holders directly to retrieve the reported property, giving the holders an opportunity to reestablish contact with the owners and return their property. After filing the Holder Notice Reports, holders are required to submit Holder Remit Reports to SCO, providing information about property that was not returned. When the Holder Remit Report is filed, holders are required to remit the property to SCO.

The trend in compliance with the Unclaimed Property Law is declining among holders. An SCO analysis identified 16,555 unclaimed property reports were received out of the 1,319,928 active California-based businesses in 2016. This reveals a minimum compliance rate of 1.25 percent. In comparison with prior fiscal years, 2.3 percent in 2013 and 2.2 percent in 2015, the trend in compliance is declining. Without the requested resources, the trend in compliance with the UPL will continue to decline, which will result in more Californians losing their properties, and reduced revenues to the State's General Fund in the form of penalty interest.

SCO performs comprehensive analyses of holder compliance with the UPL by using Franchise Tax Board (FTB) records and looking for trends in under-reporting. The analyses consistently show a significant level of non-compliance with the UPL. One notable trend is the under-reporting of Certificates of Deposit (CDs), Individual Retirement Accounts (IRAs), and dormant accounts by financial institutions. Since 2011-12, SCO has identified \$10.9 million in under-reported CDs, IRAs, and dormant accounts. \$8.5 million of this amount has since been returned to its rightful owners, which they would not have received without unclaimed property audits. In 2008, an SCO audit of an international multi-billion dollar brokerage firm identified \$4.7 million in unclaimed property, including IRAs. A 2018 audit of this holder identified another \$57 million in unclaimed property, including IRAs. Holders did not consider these abandoned accounts to be unclaimed property, and therefore did not have policies and procedures to identify and report these property types. SCO will continue to

Analysis of Problem

audit financial institutions to ensure compliance with the UPL and protect unclaimed property from fraud and abuse.

Audits of Fortune 500 technology companies have revealed a new type of unclaimed property, “pay-per-click” monies, where individuals are paid for allowing advertising content on their websites and for keyword searches for businesses. The technology companies have not treated these pay-per-click monies as unclaimed property, and as a result have failed to identify and report them. Considering the volume of internet activity, this new property type has proven to be a significant finding.

Through these audits, SCO has identified millions of dollars in findings and ensured that millions of dollars of property was returned to its rightful owners or heirs. Other non-standard property types identified in SCO audits include consumer rebates and unapplied payments to customer accounts. SCO has also identified the following industries that under-report industry-specific unclaimed property:

- Automobile dealerships – accessories due to customers, customer deposits, and Department of Motor Vehicles fees
- Casinos – bonuses, credit card advances, jackpots, players’ bank accounts, player chips, safe deposit boxes, and un-exchanged chips
- Professional sports teams – ticket refunds

SCO performs field audits of California holders of unclaimed property, including, but not limited to, banks, hospitals, retailers, utility companies, manufacturers, insurance companies, major financial institutions, escrow companies, brokerage firms, casinos, professional sports teams, and Fortune 500 companies to ensure compliance with the UPL and reunite unclaimed property with its rightful owners or heirs. SCO also contracts with third-party contractors to perform audits of out-of-state holders.

SCO received 6.0 permanent positions and 11.0 three-year limited-term positions from a 2016-17 BCP to perform audits of non-compliant holders and provide administrative support; these positions expire on June 30, 2019. Fourteen of the 17.0 positions perform field audits of non-compliant holders. Two of the 17.0 positions were redirected to oversee third-party contractors performing audits of out-of-state holders of unclaimed property and one of the 17.0 positions provides administrative support. Prior to 2016-17, SCO received an average of 17.0 three-year limited-term positions through BCPs to conduct audits of unclaimed property holders. These audits have resulted in an increased amount of money reported, remitted, and ultimately returned to rightful owners that would not have been identified and reported without an SCO audit. In addition, these audits assist the holders in creating unclaimed property policies and procedures for identifying and reporting unclaimed property in subsequent years.

Resource History
(Dollars in Thousands)

Program Budget	2013-14	2014-15	2015-16	2016-17	2017-18
Authorized Expenditures	\$2,260	\$2,368	\$2,366	\$2,554	\$2,662
Actual Expenditures	\$2,141	\$2,275	\$2,014	\$2,114	\$2,655
Revenues	-	-	-	-	-
Authorized Positions ¹	17.0	17.0	17.0	17.0	17.0
Filled Positions ¹	17.0	17.0	17.0	17.0	17.0
Vacancies	-	-	-	-	-

¹Includes 1.0 administrative support position.

Analysis of Problem

Workload History (Dollars in Thousands)

Workload Measure	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19 ⁸
Holder Audits (SCO)						
Audits Initiated	5 ¹	32	13	11	35	25
Audit Reports Issued	29	21	10	20	19	20
Audit Report Findings	\$11,538	\$6,023	\$3,290	\$2,766	\$6,189	\$5,600
CCP Section 1577 Interest Revenue	\$3,761	\$2,073	\$1,849	\$2,980	\$1,547 ⁶	\$1,400
Gross Findings	\$15,299	\$8,096	\$5,139	\$5,746	\$7,736	\$7,000
Total Property Returned by Holders ²	(\$9,392)	(\$2,082)	(\$95)	(\$112)	(\$863)	(\$1,120)
Total Property Remitted to SCO ³	\$2,146	\$3,941	\$3,195	\$2,654	\$5,326	\$4,480
Additional Reportable Remittances⁴	\$4,049	\$9,062	\$12,972	\$34,183	\$25,923	\$20,500
Net Outcome⁵	\$9,956	\$15,076	\$18,016	\$39,817	\$32,796	\$26,380
Holder Audits (Third-Party Contractors)						
Request for Authorizations Reviewed	322	393	293	502	107 ⁷	325
Invoices Processed	245	293	227	203	134 ⁷	225

¹Only five new audits began in 2013-14 because staff were completing 39 previously initiated audits.

²Property returned to rightful owners or heirs as a result of due diligence performed by holders during the audit, and of pre-escheat notices issued by SCO after receipt of Holder Notice Reports.

³Total Property Remitted to SCO = [Audit Report Findings] – [Property Returned by Holders].

⁴Property reported/remitted after a UCP audit; SCO tracks ongoing remittances from holders when:

- Holder never reported prior to audit and became compliant after the audit; or
- Compliant company never reported a specific type of property that it began reporting as a result of the audit.

⁵Net Outcome = [Gross Findings] – [Total Property Returned by Holders] + [Additional Reportable Remittances].

⁶CCP Section 1577 interest assessed by UPD after receipt of remittance report. Estimated at approximately 25 percent of Audit Report Findings.

⁷Decrease due to litigation and a contract termination.

⁸Projected.

C. State Level Considerations

The State Controller serves as the State's Chief Fiscal Officer and has fiduciary responsibility to ensure that all funds expended by the State and local government agencies comply with statutory requirements. Under the California Constitution and Government Code (GC) sections 925.6, 12410, 12411, 12418, 12440 and 12476, SCO has responsibility to superintend the fiscal concerns of the State, suggest plans for the improvement and management of revenues, audit disbursements of state funds, and withhold payment for claims until they have been audited in conformity with applicable laws, rules, and regulations.

Part of SCO's mission is to strengthen California's fiscal standing by protecting taxpayer dollars. SCO's vigilance in auditing the disbursement and expenditure of grant funds, internal controls of state agencies, claims against the State, and California holders of unclaimed property, protects taxpayer funds from fraud, waste, and abuse. These audits help assure taxpayers that issues are investigated in a timely manner, and that state funds are being used responsibly.

As an independent protector of taxpayer funds, the UCP Holder Compliance Audits program assists the Controller by fulfilling its responsibility of returning lost or abandoned property to its rightful owners or heirs.

Analysis of Problem

When holders do not comply with the UPL reporting requirements, they are unlawfully retaining unclaimed property as business income. SCO audits of unclaimed property holders protect against fraud and abuse.

SCO conducts unclaimed property holder audits pursuant to the California UPL, CCP Section 1571. The law states that SCO may, at reasonable times and upon reasonable notice, examine the records of any person if it has reason to believe that such person should have, but has failed to, report property pursuant to the UPL. The Controller's authority to perform such audits is consistent with the Controller's constitutional and statutory authority.

D. Justification

SCO is requesting 11.0 permanent positions (see Attachment I for detailed workload information) to ensure compliance with the UPL, and reunite unclaimed property with its rightful owners or heirs and provide administrative support. With these resources, SCO will educate auditees about the UPL, locate unreported and unremitted property, and ensure that holders comply with the UPL by reporting and remitting unclaimed property.

Conventional wisdom holds that once a company is audited, it will remain compliant and continue to report on an annual basis. However, audits have found that companies do become non-compliant over time. For example, although the banking industry has consistently reported dormant accounts, recent audits determined that many CDs and IRAs identified as active were actually dormant. In a follow-up audit of a utility company, SCO identified \$1 million in under-reported unclaimed property.

Multiple factors contribute to non-compliance with the UPL:

- Loss of managerial personnel who were responsible for identifying and reporting unclaimed property;
- Changes in management philosophy about identifying and reporting unclaimed property, e.g., writing off unclaimed property as liabilities to income accounts instead of reporting to SCO;
- New types of reportable property that are created by changes in technology, business practices, or legislation and;
- Incorrect interpretation by holders of how the UPL is applicable to certain property types.

As the number of businesses in California continue to increase, so does the potential that these businesses may be holding unclaimed property and therefore subject to audit. A review of FTB databases indicates that the number of California-based businesses grew from 1,480,202 in 2013 to 1,726,564 in 2017. This represents an increase of 246,362 businesses, or 17 percent over four years. There is no shortage of audit candidates, and thus no declining trend in the workload.

Furthermore, holders that willfully fail to report, pay, or deliver unclaimed property as required by the UPL "shall pay to the Controller interest at the rate of 12 percent per annum on that property or value thereof from the date the property should have been reported, paid, or delivered" per CCP Section 1577. These interest payments generate revenue for the State's General Fund.

The UCP Holder Compliance Audits program continues its effectiveness in returning property to rightful owners. Of the 134 audits initiated since 2011, 92 percent, or 123 audits, have resulted in findings. SCO's Unclaimed Property Division refers unresponsive holders of unclaimed property to SCO Audits Division for potential audit. The Department of Business Oversight refers escrow companies that have been identified as potentially holding unclaimed property to SCO for audit. The California Attorney General's Office refers businesses suspected of fraud to SCO for audit. The increasing number of potential audit candidates, new types of reportable property, and growth in emerging industries all indicate a perpetual and heavy workload that will need to be matched with experienced auditors.

As the Program continues to expand its legislatively-mandated audit efforts, audits of large business entities will require staff with strong program and accounting knowledge to plan the audit scope and analyze the

Analysis of Problem

records that lead to audit findings. These audits are complex in nature and can be high-profile or extremely sensitive in nature, especially those conducted in partnership with the Attorney General's Office. Permanent positions will allow SCO to retain qualified, knowledgeable, and experienced auditors.

Based on the UCP Holder Compliance Program's demonstrated success, the return on investment is outlined in Table 1:

Return on Investment
Table 1
(Dollars in Thousands)

Workload Measure	2017-18 Actuals to Date	2018-19 Projections	2019-20 Projections
Expenditures¹	\$2,323	\$2,329	\$2,329
Gross Findings ²	\$7,736	\$7,000	\$7,000
Additional Reportable Remittances	\$25,923	\$20,500	\$20,500
Total³	\$33,659	\$27,500	\$27,500
Return on Investment⁴	14:1	12:1	12:1

¹Expenditures do not include costs for 2.0 positions redirected to oversee third-party contractors.

²Gross Findings = [Audit Report Findings] + [CCP Section 1577].

³Total = [Gross Findings] + [Additional Reportable Remittances].

⁴Return on Investment = [Total] divided by [Expenditures].

E. Outcomes and Accountability

With the requested resources, SCO will be able to:

- Continue legislatively-mandated audits of unclaimed property to bring holders into compliance with the UPL; and
- Maintain audit and compliance efforts, which will return the maximum amount of unclaimed property to rightful owners or heirs.

This proposal is projected to generate \$5.6 million in audit findings, \$20.5 million in additional reportable remittances, and \$1.4 million in CCP Section 1577 interest for the General Fund.

Projected Outcomes
(Dollars in thousands)

Workload Measure¹	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Audits Initiated	25	25	25	25	25	25
Audit Reports Issued	20	20	20	20	20	20
Audit Report Findings	\$5,600	\$5,600	\$5,600	\$5,600	\$5,600	\$5,600
CCP Section 1577 Interest Revenue ²	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400
Gross Findings	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000
Total Property Returned by Holders ³	(\$1,120)	(\$1,120)	(\$1,120)	(\$1,120)	(\$1,120)	(\$1,120)
Total Property Remitted to SCO ⁴	\$4,480	\$4,480	\$4,480	\$4,480	\$4,480	\$4,480
Additional Reportable Remittances	\$20,500	\$20,500	\$20,500	\$20,500	\$20,500	\$20,500
Net Outcomes⁵	\$26,380	\$26,380	\$26,380	\$26,380	\$26,380	\$26,380

¹Third Party Contractor metrics are excluded from the Projected Outcomes table, because the workload of the contractors is based on factors which cannot be forecast.

²CCP Section 1577 Interest estimated at approximately 25 percent of total Audit Report Findings.

³Property returned as a result of due diligence by holders during audits and of pre-escheat notices issued by SCO after receipt of Holder Notice Reports; estimated 20 percent of total Audit Report Findings.

⁴Total Property Remitted to SCO = [Audits Report Findings] – [Property Returned by Holders].

⁵Net Outcome = [Gross Findings] – [Total Property Returned by Holders] + [Additional Reportable Remittances].

Analysis of Problem

F. Analysis of All Feasible Alternatives

Alternative 1: Provide SCO with \$1,571,000 UPF in 2019-20 and ongoing to support 11.0 permanent positions, to perform audits of holders to ensure compliance with the California UPL, reunite unclaimed property with its rightful owners or heirs, and provide administrative support.

Pros:

- Generates an estimated \$5.6 million in audit findings, \$20.5 million in additional reportable remittances, and \$1.4 million in CCP Section 1577 interest annually for the General Fund.
- Ensures the safeguarding of unclaimed property until it is returned to its rightful owners or heirs.
- Maintains existing audit efforts, securing a higher level of compliance with the UPL.
- Protects taxpayers by ensuring that businesses do not treat unclaimed property as business income.
- Continues program knowledge and work-flow by retaining permanent staff.

Cons:

- Requires permanent funding.

Alternative 2: Provide SCO with \$1,792,000 UPF in 2019-20 and \$1,787,000 UPF in 2020-21 and ongoing to support 13.0 permanent positions, to perform audits of holders to ensure compliance with the California UPL, reunite unclaimed property with its rightful owners or heirs, and provide administrative support.

Pros:

- Generates an estimated \$6.4 million in audit findings, \$24.0 million in additional reportable remittances, and \$1.6 million in CCP Section 1577 interest annually for the General Fund.
- Ensures the safeguarding of unclaimed property until it is returned to its rightful owners or heirs.
- Maintains existing audit efforts, securing a higher level of compliance with the UPL.
- Protects taxpayers by ensuring that businesses do not treat unclaimed property as business income.
- Continues program knowledge and work-flow by retaining permanent staff.

Cons:

- Requires permanent funding.

Alternative 3: Do not provide permanent funding for expiring resources.

Pros:

- Reduced program cost due to resources not continuing.

Cons:

- Significantly reduces SCO's existing audit presence.
- Prevents SCO from being able to maintain its current level of audits performed.
- Decreases compliance with the UPL, allowing millions of dollars of reportable property to go unreported and unremitted.
- Reduces CCP Section 1577 interest revenue for the General Fund.
- Jeopardizes SCO's ability to safeguard unclaimed property for return to its rightful owners.
- Significantly increases the risk that holders will fail to comply with the UPL, but instead treat unclaimed property as business income.

Analysis of Problem

G. Implementation Plan

Time Frame	Outcome
July 1, 2019 and ongoing	Existing staff will continue to conduct audits of unclaimed property holders.

H. Supplemental Information

SCO requests \$110,000 ongoing for travel costs. Historically, SCO has expended an average of \$11,000 per auditor to perform this type of audit. \$15,000 ongoing for UPS 2000 (Unclaimed Property System) software licenses at \$1,500 per auditor. \$3,000 ongoing for a statistician from California State University, Sacramento, contracted through University Enterprises.

I. Recommendation

Approve Alternative 1 and provide SCO with \$1,571,000 UPF in 2019-20 and ongoing to support 11.0 permanent positions, to perform audits of holders to ensure compliance with the California UPL, reunite unclaimed property with its rightful owners or heirs, and provide administrative support.

Unclaimed Property Holder Compliance

Workload Description	2019-20 and Ongoing			
	New Annual Increased Workload/ Task	Annual Hours per Task	Total Increased Hours	Number of Positions
Classification: Senior Management Auditor Major responsibility: Managing & Supervising > Determine program and production goals, design workload strategy to achieve goals, continuously monitor overall progress and modify strategy to ensure that goals are met, and communicate with appropriate upper management, other SCO divisions, state agencies, and external agencies regarding information that could potentially impact the program's strategy and goals e.g., changes in state and federal legislation, and court decisions. > Monitor progress of ongoing audits, assign audit staff and resources to perform new audits, provide guidance and direction to staff, provide supervision and on-the-job training to staff; ensure timely completion and closure of audits. Review all workpapers and oversee audit report issuance, ensuring audit standards are met. Address legal issues and whistleblower concerns. > Program and staff administration: Staff recruitment and separations, review timesheets, travel expenses, continuing professional education (formal training), annual staff performance reviews, budgeting, budget projections, legislative bill analyses, Workload assumption: Manager will oversee half of the audits initiated, audits in progress, and audit reports issued.	1.0	300.0	300	0.2
	15.0	80.0	1,200	0.7
	1.0	250.0	250	0.1
TOTALS	17.0	630.0	1,750	1.0
Classification: Staff Management Auditor (Specialist) Major responsibility: Leading and Training > Gather preliminary research, contact holder, schedule field work; coordinate and/or conduct multiple examinations staffed by AMAs and SSMA's; conduct the most complicated holder examinations; review supporting documentation and reconcile to financial records and UCP reports; perform analytical reviews of supporting documentation, determining the propriety of such information with UCP rules, regulations, court decisions, and program protocols; review and prepare examination work papers and all supporting schedules; prepare examination reports; and coordinate the sharing of information among Senior Management Auditor, audit staff, and UPD staff. > Provide on-the-job training and technical guidance to AMAs and SSMA's; perform second level reviews of audit workpapers. Workload assumption: Assumes Specialist will initiate and lead 2 large and highly complex audits along with audits in progress, and provide direct support to other audit teams.	2.0	600.0	1,200	0.7
	1.0	550.0	550	0.3
TOTALS	3.0	1,150.0	1,750	1.0
Classification: Associate Management Auditor Major responsibility: Conduct Audits of Holders of Unclaimed Property > Gather preliminary research, contact holder, schedule field work; perform examinations of unclaimed property holders; make inquiries concerning holders' procedures, internal controls, practices and methods; review supporting documentation and reconcile to financial records and UCP reports; perform analytical reviews of supporting documentation, determining the propriety of such information with UCP rules, regulations, court decisions, and program protocols; review and prepare examination work papers and all supporting schedules; prepare examination reports/assist in examination report preparation; and coordinate the sharing of examination information among Senior Management Auditor, audit staff, and UPD staff. > Provide direction to SSMA and other assisting audit staff. Perform first level reviews of audit workpapers. > Receive and process Requests for Authorizations (RFA) submitted by the SCO third-party contractors for unclaimed property examinations consisting of out-of-state holders; review RFAs for accuracy and completeness; determine if RFAs have already been requested by a third-party or if holder already reported UCP; and prepare RFAs for approval. > Receive and process invoices for approval; maintain logs; track within Wagers program; determine status of work completed by third-party contractors; and present information to Senior Management Auditor for review. > Review monthly work-in-progress reports submitted by each contractor noting delays and pending legal issues; document and track correspondence with contractors, SCO legal office, holders, and advocates; conduct research for inquiries by SCO executive office; prepare documents for Public Records Requests; provide support for ad hoc projects as necessary. Workload assumption: Assumes AMAs will initiate and lead, or assist, in 20 audits along with audits in progress. Assumes 325 RFAs and 225 invoices will be processed.	20.0	450.0	9,000	5.1
	20.0	80.0	1,600	0.9
	325.0	6.0	1,950	1.1
	225.0	1.0	225	0.1
	72.0	20.0	1,440	0.8
TOTALS	662.0	557.0	14,215	8.0
TOTAL REQUEST	682.0	2,337.0	17,715.0	10.0

Administrative Support

Workload Description	2019-20 and Ongoing			
	Months	Hours per Month	Hours per Year	Number of Positions
Classification: Associate Governmental Program Analyst				
> Conduct and/or review analytical studies and surveys; formulate procedures, policies, and program alternatives; make recommendations on a broad spectrum of administrative and program-related problems; and review and analyze proposed legislation.	12	33	396	0.2
> Prepares formal memoranda or reports on personnel matters; reviews proposed personnel actions for conformity with regulations, classification or pay standards or good personnel practice. Prepares written examinations, and coordinates recruitment programs.	12	33	396	0.2
> Supports day-to-day operations by acquiring and maintaining departmental facilities, manages and directs in-house and external employee training, administers publication of articles on the SCO intranet (COIN), manages forms, records, transportation and recycling programs and provides reproduction services.	12	33	396	0.2
> Provides all accounting services pertaining to the SCO budget as to estimates of expenditures, reimbursements and revenues; payment of travel expenses claims and invoices, year-end accrual, billing of reimbursements to the agencies; advise management of forecasted expenditures relative to budgeted authority.	12	33	396	0.2
> Provides analysis, development, installation, implementation, procurement, or support of information technology systems, multifunction automated office systems, microcomputer systems, and teleprocessing networks and/or systems.	12	16	192	0.1
> Responds to inquiries concerning policies and procedures and provide technical advice and assistance to staff, management, control agencies, and others.	12	16	192	0.1
TOTAL REQUEST			1,968	1.0